OFCCP and Equal Pay Enforcement

The Department of Labor's Office of Federal Contract Compliance Programs (OFCCP) is responsible for enforcing the affirmative action and non-discrimination obligations of federal contractors and subcontractors. Nearly one quarter of American workers are employed by a company that does business with the federal government, and OFCCP plays a critical role in protecting those workers, promoting diversity and enforcing equal opportunity law across the nation's contracting workforce.

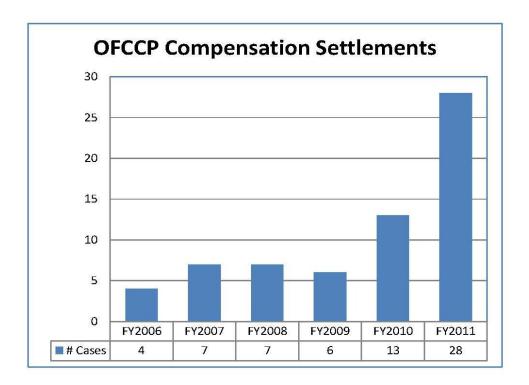
Since President Obama launched the National Equal Pay Task Force in January 2010, OFCCP and its sister agencies at the Department of Labor, including the Women's Bureau and the Wage and Hour Division, as well as partners at the Equal Employment Opportunity Commission, the Department of Justice, and the Office of Personnel Management, have been working collectively to address pay discrimination under their enforcement mandates. Task Force members are working to ensure that all workers are paid fairly, while rapidly and effectively building the infrastructure for an unprecedented level of collaboration across the federal government. Just as intelligence agencies must share information to protect our national security, so too must civil rights agencies work together to safeguard the rights and economic security of all workers.

Under the auspices of the Task Force, OFCCP has made combating pay discrimination a top enforcement priority. We are developing new policy and enforcement tools that strengthen our ability to identify and remedy compensation discrimination. We are working with our Task Force partners to improve enforcement, data collection and policy responses by sharing best practices and coordinating approaches. We have launched a pilot project with EEOC to collaborate on investigations, and reinvigorated our agencies' Memorandum of Understanding. We have conducted joint compensation training with our Task Force partners. We have even referred cases to other agencies to make sure whichever federal door workers knock on, they get the help they need.

Since the creation of the Task Force in January 2010, OFCCP has recovered more than \$24 million in back wages and nearly 5,500 job opportunities on behalf of more than 50,000 victims of discrimination. During this period, OFCCP evaluated the pay practices of over 10,000 businesses that employ over 4.3 million workers – and closed over 50 compliance evaluations with financial settlements remedying compensation discrimination on the bases of gender and race. Through those efforts OFCCP recovered a total of \$1.4 million in back pay and salary adjustments for 500 workers.

OFCCP has substantially increased the number of enforcement actions addressing pay discrimination. In FY 2011 OFCCP more than doubled the number of conciliation agreements with financial remedies for compensation cases compared to FY 2010. In fact, about 20% of the agency's financial settlements addressed compensation issues in FY 2011, a substantial increase over prior years.





One of OFCCP's signature accomplishments in 2011 was settling a lawsuit involving pharmaceutical giant AstraZeneca. The company is a federal contractor that receives more than \$2 billion to supply drugs and medical equipment to Veterans Affairs hospitals and centers across the country. OFCCP's investigation found that the company had discriminated against Level III Pharmaceutical Sales Specialists at the AstraZeneca facility in Wayne, Pennsylvania. Statistical analysis of pay data showed that the company was paying women in that position \$1,700 less on average than men doing the same job. Astra Zeneca agreed to pay \$250,000 in back pay to 124 women affected by this unfair pay practice. The company also agreed to review its pay practices across 13 states and DC, and to correct any disparities found.

Other recent OFCCP settlements include: back pay and salary adjustments for 56 women who were unfairly assigned to lower paying jobs when they were hired; back pay and promotions for a group of Asian American IT workers who were denied higher paying opportunities; and back pay and salary adjustments for the lone female Pipe Foreman on a construction site, who was making far less than her male counterparts.

We know there is much more to be done, and that enforcement is not enough. We have to do a better job of educating women – especially young women – on how to advocate and negotiate for fair pay. We must support voluntary compliance efforts and help educate contractors about their obligations to monitor pay practices and address disparities. And we must continue building on our successes so far. We are looking forward to taking steps in all these areas in 2012 and beyond.

